

SECTION 1. WHAT ACTION IS THE WELSH GOVERNMENT CONSIDERING AND WHY?

Background

The Welsh Government's [Child Minding and Day Care Exceptions \(Wales\) Order 2010](#), 'the 2010 Exceptions Order', identifies circumstances where registration as a child minder or day care provider is not required. Being exempt means that these providers do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#) for regulated childcare. It provides distinction between providers that need to be registered and those that don't.

Issue

The Welsh Government are reviewing the exceptions following recommendations in these reports:

- [Call for Evidence](#) regarding the 2010 Exceptions Order (2019)
- [The Ministerial Review of Play](#) (2023)
- [Minding the future: The childcare barrier facing working parents](#) (2022)

The aims of the review of the exceptions are:

- Ensure childcare options are child-centred and foster children's rights to play, relax, learn and join groups and organisations that meet their needs and interest.
- Ensure that the exceptions in place are proportionate and exempt those that don't need to register with Care Inspectorate Wales.
- Promote robust safety measures for children across all childcare, playwork and activity settings which will support children to be safe and properly cared for.
- Support affordable, accessible, and flexible childcare, playwork and activities for families to meet various needs, interests and demands across Wales. Any changes to the exceptions must not reduce available or affordable childcare, play or activities.
- Simplify the 2010 Exceptions Order for clarity and consistency in interpretation.

Action Proposed

At the start of the project each article of the 2010 Exceptions Order was reviewed and those exceptions requiring further consideration identified. The Welsh Government will undertake a full 12 week public consultation regarding proposed changes about who should not be required to register as set out in the Draft Child Minding and Day Care Exceptions (Wales) Order 2026, 'the 2026 Draft Exceptions Order', which will replace the 2010 Exceptions Order:

- The public will be consulted on the proposal that if a child aged 4 or under attends a coaching or tuition provision without their parent or carer for more than 2 hours in a day, the provider should register as a day care provider. Providers can offer multiple sessions, but each child aged 4 and under can only attend up to 2 hours per day unless their parent is with them. This rule would not apply to children aged 5 and over, who can attend for an unspecified period of time.
- To create a greater distinction between childcare, playwork and coaching and tuition, we propose to reduce the number of activity types a coaching and tuition provider is able to offer without needing to be registered, from 2 to 1. For example, providers offering coaching and tuition in an array of sports only will be exempt from registration, whereas a provider offering religious study and sports would need to register as they exceed 1 type of activity.
- Align the exceptions with other policy guidance and current practices.
- Simplify and streamline the exceptions.
- Propose that if children aged 2 or younger attend school as a pupil, that part of the school should register as a day care provider.
- The public will be consulted regarding exceptions relating to provisions operating under 2 hours, on five days or fewer or for coaching and tuition. They will be asked for their views on whether they should not apply where the provider cares for children aged 2 and under and their parent does not remain on the premises.
- The public will be consulted on the proposal that if a registered provider is suspended by enforcement, that the exceptions relating to care for 2 hours or less a day do not apply and therefore the provider would not be able to operate under these exceptions for the duration of the suspension.

Alongside this review, the Welsh Government are carrying out a public consultation on the proposed introduction of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers for those who are exempt from registration as a child minder or day care provider. Eligible providers on the proposed Voluntary Approval Scheme will potentially be able to register with HMRC and Department for Work and Pensions (DWP) so that eligible parents can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#). To be on the scheme, providers will need to demonstrate they have basic safety checks in place which may offer parents some reassurance.

Five Ways of Working

The proposals have been made in line with [The Well-being of Future Generations \(Wales\) Act 2015](#) Five Ways of Working. Proposals intend to support the childcare, play and activity sector and bring benefits to providers, children and families in the **long term** and promote **prevention** of closures of services, whether registered or unregistered. The Welsh Government [Relative Income Poverty](#) report reflected that in March 2023, 29% of children in Wales were living in relative poverty. All proposals have been considered to prevent any negative impact on child poverty.

The review of the exceptions has been carried out in conjunction with the reviews of the [National Minimum Standards](#) for childcare and the Childcare Sufficiency Assessments to ensure alignment and **integration**. Working in this way allows us to consider the issues systemically and understand various impacts. Current policies have been considered in detail, including the long term vision for [Early Childhood Play, Learning and Care \(ECPLC\)](#) and how proposals work towards meeting this. The proposals will contribute, in particular, towards realising the Well-being goals relating to a healthier Wales, a more equal Wales, a Wales of cohesive communities, a prosperous Wales and a Wales of vibrant culture.

Collaboration and Involvement has taken place throughout the review process. Between March and December 2024, the Welsh Government undertook extensive engagement work to better understand the opportunities provided across the registered and unregistered sector. It is estimated that the Welsh Government has engaged with approximately 400 participants including children, parents and carers, the registered and unregistered parts of the sector. In June 2024, the Welsh Government established a cross sector Advisory Group to represent the diverse needs of end-users to guide the policy development work. The Welsh Government have worked with Care Inspectorate Wales to ascertain how proposed policy changes would work in practice and met with Local Authority childcare and play leads to explore local issues. Welsh Government's [Child Poverty Strategy](#) and the [UNCRC](#) were considered throughout and [ECPLC](#) principles have guided the consideration of impact on children aged 0-5.

Impact

Positive Impacts

- The proposed rewording of the exception relating to parents, foster carers, relatives and household members, will clarify that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related

children. This may be particularly significant for parents of disabled children, those with cultural, religious or language preferences and parents who work atypical hours.

- The proposal to maintain the exception for provisions operating under 2 hours or on five days or fewer will allow providers who operate under them to continue to operate freely without the need to register. Stakeholders from the sector report that some providers use the 2 hour and/or five days or fewer exceptions to market test their service before proceeding to set up a registered provision. The maintenance of the exception for many providers will allow this to continue.
- The proposal to align exceptions in relation to nannies, au pairs and babysitters, will streamline and enhance flexibility of choice for families. The new proposed exception will allow for children to be cared for in a location and environment that is appropriate for them and meets the needs of them and their family.
- The proposed amendment of the age caveat from age 11 to 10 for transitional youth services will provide opportunity for transitional youth services to run provision for younger children to help them address personal, social and educational needs without the requirement to register as a day care provider.
- The proposed amendments relating to the care of children aged 2 and under, may provide greater quality assurance.
- The proposed amendment to require the part of a school with children aged 2 and under in attendance to register as a day care provider, may provide greater assurance that the care needs of these younger children are being met within educational settings.
- The proposal to reduce the types of activities a provider can offer under the exception from two to one will maintain opportunities for children to follow their interests and develop their skills in a specific area. It will also offer greater distinction between childcare and coaching and tuition activities.
- The proposed change to the coaching and tuition exception would allow coaching or tuition for children aged 4 or under, without a parent present, for up to 2 hours. This takes into account their developmental stage and acknowledges that care beyond this time is unlikely to be considered incidental.
- It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children.
- Through the proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers, a greater number of providers may become eligible to register with HMRC and DWP so that eligible families can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes. This will result in a wider range of providers being available to parents and thus make childcare more affordable. The proposed Voluntary Approval Scheme could also provide a basic level of safety checks to give some assurances to parents. The scheme may provide the Welsh

Government with a greater knowledge of unregistered providers and extend Local Authorities' knowledge of provision in their areas to inform their Childcare Sufficiency Assessments and possibly Play Sufficiency Assessments. Providers may also feel they obtain greater credibility through joining the scheme.

Negative Impacts

- The public will be consulted on their views regarding the exceptions relating to 2 hours, care for 5 days or fewer and coaching and tuition not applying where the provider cares for children aged 2 and under. They will also be consulted on their views about when a parent does not remain on the premises. This may cause a reduction in the number of providers offering this care as they may not wish to take on the burden of registration and thus close their provision. An additional risk is that they may remain open but amend their service to only provide for children 3 years old and above. Stakeholders from the sector report that some providers use the 2 hour and/or five days or fewer exceptions to market test their service before proceeding to set up a registered provision. Removal of the exception for provisions caring for children aged 2 and under will preclude this from happening and providers looking to offer services to children of this age may decide not to take the risk of opening a setting as they haven't been able to ascertain whether it is sustainable in the market.
- The public will be consulted on whether they agree that children aged 4 or under may only attend coaching and tuition for sessions of 2 hours or less, unless accompanied by a parent. This may result in some providers curtailing their provision and thus reducing the number of activities available to children of this age.
- The proposal to reduce the number of types of activities a provider can offer under the coaching and tuition exception from two to one may result in providers curtailing their provision and thus there may be fewer opportunities for children to engage in a range of activities at a single location or session.
- The proposal to maintain the exceptions for provisions operating under 2 hours or on five days or fewer may discourage providers from extending their provision.
- The proposed amendment to require the part of a school with children aged 2 and under in attendance to register as a day care provider, may result in some schools no longer offering education to children of this age. This would reduce parental choice.
- It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Although the temporary suspension of a provider's operations may lead to some disruption for staff and families, this needs to be carefully balanced against the safeguarding benefits, which are often necessary to ensure the safety and well-being of children.
- The proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers may result in some providers that are currently registered with Care Inspectorate Wales, lessening

their provision to allow them to be on the proposed Voluntary Approval Scheme instead. This may result in fewer opportunities for families.

Costs and Savings

It is proposed that Care Inspectorate Wales administer the proposed Voluntary Approval Scheme. The estimated cost for setting up the scheme in year 1 is approximately £95,000 with an ongoing estimated annual running cost of between £8,000 and £17,000, dependent upon the number of providers applying to join. It is proposed that there will be a charge for providers to join and renew their place on the scheme with the intention to cover annual running costs in due course.

Should there be support for some exceptions to not apply in circumstances where providers care for children aged 2 and under, without a parent remaining on the premises, additional providers would be brought into scope of full Care Inspectorate Wales registration. This would cost Care Inspectorate Wales approximately £3100 for each provider who registers, with an ongoing administration cost of approximately £1100 per provider, per annum.

Mechanism for change

The legal process for the laying of the 2026 Exceptions Order is draft affirmative. The proposed Voluntary Approval Scheme can be implemented under Section 60 of the [Government of Wales Act 2006](#).

SECTION 8. CONCLUSION

8.1 How have people most likely to be affected by the proposal been involved in developing it?

In line with the [Well-being of Future Generations \(Wales\) Act 2015](#), stakeholders have been engaged extensively through the process. Between March and December 2024, the Welsh Government undertook engagement work to better understand the opportunities provided across the registered and unregistered sector. It is estimated that the Welsh Government engaged with approximately 400 participants including children, parents/carers, the registered and unregistered parts of the sector.

In June 2024, the Welsh Government established an Advisory Group to guide the policy development work. Membership of the Exceptions Order Advisory Group includes: Children in Wales, Care Inspectorate Wales, Estyn, Sport Wales, Arts Council of Wales, Cytûn, CWWYS, Community Focused Schools, Cwlwm, Local Authorities, WLGA, Play Wales, Social Care Wales, WVCA and Children's Commissioners Office. Additional engagement exercises were undertaken with religious, parent, uniformed and youth groups, and Local Authority Childcare leads. At each of these groups, representatives shared their views on the exceptions and discussed the impact of possible or proposed changes on their sector. Unregistered providers were given the opportunity to share their views through an engagement questionnaire and focus groups.

In Spring 2024, Children in Wales were commissioned to undertake research to engage with children and parents to inform the review. They ascertained parents and children's views regarding what they considered important in the childcare, play and activities they attend or would like to be able to attend. Additional engagement work with children and young people will be carried out via a focus group while the consultation process is ongoing. Youth-friendly and easy read versions of the consultation document and response form will be available for completion.

8.2 What are the most significant impacts, positive and negative?

The key priority for this work is to ensure children in Wales can access childcare, play and activities that meet their needs and those of their families. The review has been carried out in a way that has ensured that the best interests of children are prioritised and have been central to consideration and decision making. The proposals will contribute, in particular, towards realising the Well-being goals relating to a healthier Wales, a more equal Wales, a Wales of cohesive communities, a prosperous Wales and a Wales of vibrant culture.

Positive Impacts

Through the review process, the importance of alignment, streamlining and simplifying the exceptions has been considered. The interdependency of the exceptions has been examined and amendments made with this in mind as a means to make the exceptions easier to understand.

We are aware of the greater care needs and vulnerabilities of younger children. The public will be consulted on their views regarding some of the exceptions not applying where the provider cares for children aged 2 and under and consider whether there should be a different approach if their parent remains on the premises. This may provide greater quality assurance. Amendments to age specifics relating to youth services will also provide benefits for older children as proposals would allow 10-year-olds to be introduced to youth services in line with their transitional needs, interests and stage of development, potentially acting as a springboard for further engagement with youth work in the years that follow.

Proposed amendments to exceptions relating to child minding, will allow parents more opportunities to make choices about who to employ to care for their child. They will allow children to be cared for in a location and environment appropriate for them and that meets the needs of them and their family. This may be particularly significant for parents of disabled children, those with cultural, religious or language preferences and parents who require greater flexibility due to working atypical hours.

The proposal to maintain the exception for provisions operating under 2 hours and on five days or fewer will allow providers operating under them to continue to operate freely without the need to register.

It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children.

The changes proposed to the coaching and tuition exception will ensure that providers of these activities can continue to do so without the need for registration. They can continue to provide coaching and tuition that meets the needs of children and allows them to follow their interests and develop their skills. By proposing that children aged 4 and under will only be able to attend coaching and tuition for 2 hours or less under the exception, the length of sessions will allow for developmentally appropriate provision that does not require care beyond any that arises incidentally.

The proposed amendment to require all schools offering education to children aged 2 and under to register that part of the school as a day care provider, may provide greater assurance that the care needs of these younger children are being met within educational settings.

The proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers could have significant positive financial impacts for families. A greater number of providers may become eligible to register with HMRC and DWP so that eligible families can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes. This will result in a wider range of services being available to parents and thus make childcare more affordable. The proposed Voluntary Approval Scheme could also provide a basic level of safety checks to give some assurances to parents. The scheme may provide the Welsh Government with a greater knowledge of unregistered providers and extend Local Authorities' knowledge of provision in their areas to inform their Childcare Sufficiency Assessments and possibly Play Sufficiency Assessments. Providers may also feel they obtain greater credibility through joining the scheme.

Negative Impacts

The public will be consulted on their views regarding the exceptions relating to 2 hours, care for 5 days or fewer and coaching and tuition not applying where the provider cares for children aged 2 and under. They will also be consulted on their views about when a parent does not remain on the premises. This may cause a reduction in the number of providers offering this care as they may not wish to take on the burden of registration and thus close their provision. An additional risk is that they may remain open but amend their service to only provide for older children. Stakeholders from the sector report that some providers use the 2 hour and/or 5 days or fewer exceptions to market test their service before proceeding to set up a registered provision. Adding age caveats to these exceptions would preclude this from happening and providers looking to offer services to children aged 2 and under may decide not to take the risk of opening a setting as they haven't been able to ascertain whether it is sustainable in the market.

The proposal to require all schools offering education to children aged 2 and under to register as a day care provider may result in some schools no longer offering education to children aged 2 and under. This would reduce parental choice.

The proposal to reduce the number of types of activities providers can offer under the exception from two to one may result in providers curtailing their provision and thus there may be fewer opportunities for children to engage in a range of activities at a single location or session.

The proposal that children aged 4 and under may only attend coaching and tuition for 2 hours or less, unless accompanied by their parents, may result in some providers curtailing their provision and thus reducing the amount of activities available to children of this age.

It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Although the temporary suspension of a provider's operations may lead to some disruption for staff and families, this needs to be carefully balanced

against the safeguarding benefits, which are often necessary to ensure the safety and well-being of children.

The creation of the proposed Voluntary Approval Scheme may lead to some providers that are currently registered with Care Inspectorate Wales, reducing or changing their provision to allow them to be on the proposed Voluntary Approval Scheme instead. They would then not be subject to the same level of quality assurances as when operating as a registered setting.

8.3 In light of the impacts identified, how will the proposal:

- **maximise contribution to our well-being objectives and the seven well-being goals; and/or,**
- **avoid, reduce or mitigate any negative impacts?**

The proposed changes presented in the Draft [Child Minding and Day Care Exceptions \(Wales\) Order 2026](#) and the proposed creation of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers will play an important part in supporting the general principle of the [Well-Being of Future Generations \(Wales\) Act 2015](#), which is about making positive interventions now, to benefit people living their lives in Wales in the future.

A prosperous Wales

The proposals could have a positive impact on economic well-being for families due to the proposed Voluntary Approval Scheme which will allow more providers to register with HMRC and DWP. Eligible families will then be able to use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) to reduce the cost of childcare, play and activities. This will give families access to a greater range of opportunities which may enable them to have more flexible childcare to allow them to work. These opportunities may also allow children to develop more skills and have more social opportunities.

A resilient Wales

The proposals will have a positive impact on a resilient Wales. The proposed Voluntary Approval Scheme will allow families to have greater access to financial support and thus strengthen resilience of household finances. Children will have opportunities to build resilience through having social opportunities and developing strengths and interests via the proposed maintenance of the exception for providers of coaching and tuition.

A healthier Wales

The proposals could have a positive impact on the health of children in Wales. Through ensuring there are sufficient childcare and play opportunities available for children, they will have access to

opportunities to learn, grow and thrive. By maintaining the exception for coaching and tuition, these providers will continue to provide opportunities for children to be active and healthy.

A more equal Wales, a Wales of Cohesive Communities, A Wales of Vibrant Culture & Thriving Welsh Language

The proposals will have a positive impact on equality in Wales. Through the proposed Voluntary Approval Scheme, financial inequity will be tackled through improved access to greater support for costs for families. The maintenance of the exception for coaching and tuition in language, religious and cultural instruction will continue to provide opportunities for children to engage with activities relating to their culture and heritage. There will be clarification that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. Through this, parents will be assured that they can engage the services of the child minder they feel would best meet the care needs of their disabled child, meet the communication needs of a child whose first language is not English or Welsh, or share a religious faith, for example.

A globally responsible Wales

The proposals will have a neutral impact.

Mitigation of Negative Impacts

Changes will be clearly communicated through a communication campaign. Clear guidance and case study examples will be published to ensure providers have a clear understanding of the 2026 Draft Exceptions Order and the proposed Voluntary Approval Scheme. This will give providers confidence to operate in a way that benefits them and the families they serve.

Through working with umbrella organisations via Cwlwm, the benefits of extending provision and registering with Care Inspectorate Wales will be promoted to encourage growth of the sector throughout Wales. We will also work with Cwlwm to support there being a greater understanding of the difference between registered, unregistered and approved providers especially amongst parents.

Monitoring and evaluation as any changes come into place will allow additional mitigations to be made should they be identified.

8.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

Following consultation and any resulting changes, numbers of providers registered to provide services to children and families will be monitored by Care Inspectorate Wales (CIW). Should the proposal to create a Voluntary Approval Scheme be adopted, the uptake for this will be monitored. This will be considered alongside any information shared with CIW relating to any providers choosing to amend their provision and cancel their registration as a regulated childcare provider in order to move to a Voluntary Approved Scheme.

The numbers of children accessing registered providers will be captured via the annual Self-Assessment of Service data submitted by registered providers. Additional information can be obtained via the data gathered by Local Authorities as part of their Welsh in Education Strategic Plans (WESPs) target monitoring and their submission of Childcare Sufficiency Assessments and Play Sufficiency Assessments.

CHILDREN'S RIGHTS IMPACT ASSESSMENT

1. Policy objectives

Background

The [Welsh Government's Child Minding and Day Care Exceptions \(Wales\) Order 2010](#) identifies circumstances where registration as a child minder or day care provider is not required. Being excepted means that these providers do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#). It provides distinction between providers that need to be registered and those that don't.

The Welsh Government are reviewing the exceptions following recommendations in these reports:

- [Call for Evidence](#) regarding the 2010 Exceptions Order (2019) which noted that several exceptions required review in line with policy developments, to provide clarity of definitions, to strengthen safeguarding and ensure the exceptions are equitable to different types of providers.
- [The Ministerial Review of Play \(2023\)](#) which as part of Key Recommendation 11, recommended that the Welsh Government review and consult on the exceptions relating to the frequency of services operating. They also recommended a review of coaching and tuition exceptions and the prohibition of voluntary registration of such providers.
- [Minding the future: The childcare barrier facing working parents \(2022\)](#) which made Recommendation 18, that requested Welsh Government set out its plans to undertake a full consultation on the [Child Minding and Day Care Exceptions \(Wales\) Order 2010](#) that was committed to in 2019. This was in order to address concerns around the negative impact it has on registered providers and on the safeguarding of children.

In light of these reports, the Welsh Government are currently undertaking a review of the exceptions. The aims are to:

- Ensure childcare options are child-centred and foster the rights of children to play, relax, learn and join groups and organisations that meet their needs and interest.

- Ensure that the exceptions in place are proportionate and exempt those that don't need to register with Care Inspectorate Wales.
- Promote robust safety measures for children across all childcare, playwork and activity settings which will support children to be safe and properly cared for.
- Support affordable, accessible, and flexible childcare, playwork and activities for families to meet various needs, interests and demands across Wales. Any changes to the exceptions must not reduce available or affordable childcare, play or activities.
- Simplify the 2010 Exceptions Order for clarity and consistency in interpretation.

The key priority for this work is to ensure children in Wales can access quality childcare, play and activities that meet their needs and those of their families. The review has been carried out in a way that has ensured that the best interests of children are prioritised and have been central to consideration and decision making.

Proposed changes to the Exceptions

The Welsh Government will undertake a full public consultation regarding the proposed changes relating to which providers are not required to register as child minders or day care providers.

The Welsh Government maintains that parents, legal guardians, foster carers, relatives and household members should remain exempt from being required to register as child minders. However, the Welsh Government proposes that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met:

- They are not the child's parents and do not have parental responsibility for the child,
- They are not the child's foster carer,
- The care does not take place at the child's home, and
- The care is available and on offer to non-related children.

Providers are exempt from registering as a child minder or day care provider if care takes place between 6pm and 2am. The public will be consulted on the proposal to make provision for babysitters to be excepted from registration when caring for children in their own homes or non-domestic premises of the parent's choice, in line with nannies and au pairs.

Youth services providers are exempt from registration as a day care provider where services are provided to young people aged 11 and over. The public will be consulted on the proposal to

allow providers who offer provision for children aged 10 to be exempt for transitional youth services.

Providers who operate for fewer than 6 days per calendar year are exempt from registration as a child minder or day care provider. The public will be consulted on their views regarding the exception not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises.

Providers are exempt from registration as a child minder or day care provider if the total period of care in any one day does not exceed two hours. The public will be consulted on their views regarding the exception not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises.

Providers are exempt from registration if the care is provided at a school and is incidental to the provision of education. The public will be consulted on the proposal that if children aged 2 and under attend a school as a pupil, the part of the school that these children attend should register as a day care provider.

Providers are exempt from registration as day care providers where they provide coaching or tuition in no more than two activity types. The public will be asked if they agree that this should be amended to one activity type only and for the list of activities to be amended. The public will be consulted on the proposal that if a child aged 4 or under attends a coaching or tuition provision without their parent or carer for more than 2 hours in a day, the provider should register as a day care provider. Providers can offer multiple sessions, but each child aged 4 and under can only attend up to 2 hours per day unless their parent is with them. This rule would not apply to children aged 5 and over, who can attend for an unspecified period of time.

The public will be consulted on the proposal that if a registered provider is suspended by enforcement, that the exceptions relating to care for 2 hours or less a day do not apply and therefore the provider would not be able to operate under these exceptions for the duration of the suspension.

Proposed introduction of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers

Alongside this review the Welsh Government are carrying out a public consultation on a proposal to introduce a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers for exempt providers. Providers who are exempt from full Care Inspectorate Wales

registration as a child minder or day care provider, will be able to apply for inclusion on the proposed Voluntary Approval Scheme should they meet the criteria set out. Providers on the scheme may be able to register with HMRC and DWP so that eligible parents can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes.

2. Gathering evidence and engaging with children and young People

The [Call for Evidence](#) (2019) regarding the [Child Minding and Day Care Exceptions \(Wales\) Order 2010](#) identified key issues. A majority of respondents agreed that it should be possible for a relative to be considered as a child minder and that such providers should adhere to current regulations and policies regarding overall ratios. Respondents generally agreed that persons only providing child minding services in the evenings/nights at their own home should be able to register as child minders which would help ensure safeguarding is made a priority. With regards to the provision of activities under the exception for coaching and tuition, many respondents were concerned that there are safeguarding issues as it allows for unregulated childcare to take place for children under the age of 5 for up to 4 hours a day. However, a few respondents confirmed that they believed such provider organisations have well-regulated procedures to run as specialist activities to ensure safeguarding.

[The Ministerial Review of Play](#) (2023) which as part of Key Recommendation 11, recommended that Welsh Government review and consult on the exceptions relating to the frequency of services operating and the provision of coaching and tuition. The report expressed the need for a rigorous system that ensures safeguarding arrangements and staff suitability is maintained in all playwork settings.

In [Minding the future: The childcare barrier facing working parents](#) (2022), the Equality and Social Justice Committee heard conflicting evidence from stakeholders on the impact of the [2010 Exceptions Order](#) on the workforce, the safeguarding of children and the quality of provision.

As of 13 January 2025, Self-Assessment of Service data held by Care Inspectorate Wales reflected that approximately 124,500 children were accessing childcare and play services at 2,827 approved childcare settings across Wales. Some data regarding unregistered settings is obtained via Local Authority Childcare Sufficiency Assessments and Play Sufficiency Assessments, but this is limited in its reach as not all unregistered providers share their information with their local authority.

[Coram Childcare Survey 2025](#) reflected that 67% of local authorities in Wales report ‘data not held or cannot tell’ for childcare for school age children and young people. As a result, there is not a full picture regarding how many unregistered providers are active in Wales and the number of children using these services. Through the review of the exceptions, information was gathered from 81 unregistered providers regarding how they operate and the services they provide to the children attending. Under half of the providers offered activities to children aged under 4 years old, with a significant focus being on children aged 5-11. 86.1% of respondents operated under exceptions that exempt providers who operate for under two hours per day.

The availability of quality childcare, play and activities offers vital social, economic and educational benefits to children and families. Research commissioned by the [Department of Education \(DfE\) in 2022](#) identified that the main reason for parents using childcare was to facilitate them to work, but that the child’s socialisation and development was also a key benefit. Parents viewed availability of quality and flexibility of care as imperative to meet the needs of children and their families.

In [The Children’s Commissioner for Wales’ July/August 2024 – Summer Holidays Monthly Matters report \(2024\)](#), 29% of respondent children said they liked to attend summer clubs and activities, 13% said they enjoyed going to youth clubs and 11% cited attending a playscheme as a favoured activity. 41% of the respondent children advised that there are things that stop them doing the things they enjoy and of this group, 44% identified that the cost of the activity was the reason for this. The [Child Poverty Strategy for Wales 2024: Engagement Report](#) reflected that children and young people are very aware of the financial pressures on their parents. Many were also aware that their parents needed access to affordable childcare to enable them to train or work. They also talked about not being able to access activities including art and music, play and sports because of costs.

Research conducted by [Scottish Government \(2022\)](#) was considered through the policy process. It identified that children viewed the fundamental elements of all childcare and activities as kindness, community, fairness, happiness, fun and choice. They also recognised that their attendance at such activities benefited them socially and also acted as a mechanism for parents/guardians to work or study. A similar consultation of [school-aged children in Ireland in 2016](#) drew likewise conclusions. Children questioned clearly expressed that relationships with family, extended family, friends, child minders and carers were very important. They also noted that children did not favour structured environments, predictability, rigidity, lack of choice and being treated inappropriately for their age. Both studies were considered when discussing proposed amendments and emphasised the credence of the aim of our review to ensure there are childcare options available to families

that are child-centred and provide opportunities for children to have fun, learn and develop in line with their needs and interests.

Children have significantly differing safeguarding needs due to their age and stage of development. [NSPCC](#) identifies that babies are more vulnerable to abuse and neglect than older children and they rely on their parents and carers to meet their needs. Children aged four and under represented 40 percent of children on the child protection register in Wales in 2023-24, and 45 percent of the children included in the register for reasons of neglect (see [Children placed on the child protection register during the year, by local authority, category of abuse and age](#)). A 2015 study ([Davies et al., 2015](#)) found that 76.3 per cent of cases of suspected child abuse reported in child hospitalisation in England and Wales were recorded for children aged under 1 year. Analysis of data from the US Adoption and Care Reporting System ([Williams & Sepulveda, 2019](#)) suggests that infants and toddlers are twice as likely as older children to enter foster care due to heightened vulnerability to parents' diminished caregiving capabilities. Young children's vulnerability has been conceptualised as having both inherent (i.e. deriving from young children's fundamental dependence on adults for their basic needs) and situational (i.e. deriving from specific contexts in which children may be put at risk due to their vulnerability) components (see [Bagattini, 2019](#); [Giesinger, 2019](#)). Inherent components of young children's vulnerability have been supported in empirical observation of infants' heightened vulnerability to infection through neonatal immune immaturity ([Borghesi et al., 2020](#)) and through evidence of children's reliance on adults to provide food and nutrition in response to non-verbal prompts ([Black & Aboud, 2011](#)). This conceptualisation suggests that the need to be protected from risk is likely to be higher where children's dependence on adults is highest, as for infants and toddlers. This has been considered at length through the review and as a key result of this, the public will be consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and their parent does not remain on the premises.

At the other end of the age spectrum, the provision of youth services can be an effective provider of support and guidance for young people. In a [needs analysis](#) conducted by a London borough in 2018, 74% of respondents identified that youth clubs were needed to support young people. With this research in mind, the need to ensure continuation of provision in Wales was considered and the exception for youth service is proposed to be extended to provide opportunities for 10 years olds to support both their transition from primary to secondary school age and their personal, social and educational needs.

Changes to child minding

The proposed change of wording will clarify the exception for parents, those with parental responsibility, foster parents, relatives and those residing at the same address. This will confirm that children can be cared for by these caregivers without the need for them to register. The rewording will also confirm that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. Children will gain the dual benefit of being cared for by a professional and by a family member or a person they live with. The parents will be able to more freely choose the child minder that they feel would best meet the needs of their child. This may be particularly significant for parents of disabled children, those with cultural, religious or language preferences and parents who work atypical hours.

The proposed amendment to exceptions regarding care between 6pm-2am will allow parents to make more flexible arrangements to meet their children's care needs outside standard hours. This will allow children to be cared for in a location and environment that is appropriate for them and meets their individual needs.

It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children.

These amendments are considered proportionate and will work to meet the review's aim to promote there being affordable and accessible childcare and activities options for children and families that are flexible to meet the various needs, interests and demands across Wales.

Changes to youth services

The proposed amendment of the age caveat from age 11 to 10 recognises that evidence identifies the different needs of children as they get older. The change will allow children aged 10 to be introduced to youth services in line with their transitional needs, interests and stage of development prior to commencing secondary education without the requirement to register as a day care provider.

Through ensuring these slightly younger children have access to youth services that meet the needs of their transitioning age without the requirement for this provision to be registered as day care provision, this amendment will meet the review's aim to ensure there are childcare options available to families that are child-centred and provide opportunities for children to have fun, learn and develop with their needs and interests.

Adding age caveats

The proposed amendments relating to the age caveats reflect the evidence that the care needs of younger children are considerably greater than that of older children. The proposed amendment to require all schools offering education to children aged 2 and under to register this part of their provision as a day care provider, may provide greater assurance that the care needs of these younger children are being met within educational settings.

The public will be consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises. This may provide quality assurances for parents. The proposal to only exempt 2 hours or less of coaching and tuition for children aged 4 or younger where parents do not remain present will allow for developmentally appropriate provision that does not require care beyond any that arises incidentally.

However, these proposals may cause a reduction in the number of providers offering care for children aged 2 and under as they may not wish to take on the burden of registration and thus close their provision. An additional risk is that they may remain open but amend their service to only provide for older children. Stakeholders from the sector report that some providers use the 2 hour and/or five hours or fewer exception to market test their service before proceeding to set up a registered provision. Adding age caveats to these exceptions would preclude this from happening and providers looking to offer services to children aged 2 and under may decide not to take the risk of opening a setting as they haven't been able to ascertain whether it is sustainable in the market.

Changes to coaching and tuition

Children can develop skills and knowledge of their choosing through the exception for providers of a range of forms of coaching and tuition where care is considered incidental to the activity. The proposal to reduce this from two to one type of activity will maintain opportunities for children to follow their interests and develop in a specific area such as sport,

religion or the arts. It is anticipated that some providers may keep their provision the same and will take on the new requirement to register with Care Inspectorate Wales. However, other providers may choose to offer one activity type only and thus provide fewer opportunities for children to engage in a range of activities at a single location or session. This would reduce their opportunities to develop in a variety of areas.

Proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers

[Coram Childcare Survey 2025](#) reflected that costs of childcare for under twos have increased by 9.7% in Wales over the last year, with costs for two-year-olds seeing a 7.2% rise over the same period (based on 25 hours per week). [Senedd research in 2023](#) identified that over 80% of the children in Wales that live in poverty have at least one parent in work and the percentage of children living in poverty that live in a household where at least one adult works has increased substantially since the 2008 financial crisis. Through the potential development of the proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers for some exempt providers, a greater number may become eligible to register with HMRC to receive payments via the [Tax-Free Childcare](#) scheme and DWP so that eligible parents can use the [Universal Credit Childcare](#) scheme. This will promote parity with families in England (where some exempt providers can already register with HMRC and DWP) and possibly promote access by making opportunities more affordable for families. Eligible parents of disabled children continue to have access to the [Tax-Free Childcare](#) scheme until 1 September after the child's 16th birthday, which will lessen the burden of their childcare costs for this extended period.

The proposed Voluntary Approval Scheme could also provide a basic level of safety checks and potentially staff training requirements which parents who participated in the direct work with Children in Wales told us were important to them when making childcare choices.

The proposed amendments are proportionate in line with the aims of the review. They will meet the aim of promoting safety measures and the availability of affordable and accessible childcare and activities.

Links with other policy areas

Proposed amendments to the exceptions have been considered in line with the current review of the [National Minimum Standards](#) for Regulated Childcare for children up to the age of 12 years. The different standards relating to specific ages of children set out in the current National Minimum Standards were considered when identifying potential amendments to

improve safeguarding of the youngest, most vulnerable children. Specific standards relating to different setting types were also considered.

The proposed new statutory framework for youth work informed proposals relating to the youth service exceptions and Officials liaised with sports, education and equality policy colleagues to discuss impacts upon children from their policy perspectives.

Engagement with children and young people to date

In Spring 2024, Children in Wales were commissioned to undertake research to engage with children to inform the review. They were asked to ascertain children's views regarding childcare and how they feel about attending.

Children aged 2-5 shared the importance of their caregivers to them and reflected how they are central to children's feeling of safety, security and happiness. Children's responses showed that a majority of the children engaged with, felt attending childcare was a happy, fun experience for their enjoyment and a space to play and make connections.

Children aged 4-10 were aware of how childcare is used as an opportunity for them to play, socialise and learn skills but also to allow their parents/guardians to work.

Future engagement with children and young people

Additional engagement work with children and young people will be carried out via a focus group while the consultation process is ongoing.

A youth-friendly version of the consultation document and response form will be available for children and young people to complete; this will be promoted via networks including Children's Commissioner for Wales and Children in Wales, to encourage children and young people to share their views.

3. Analysing the evidence and assessing the impact

UNCRC Articles or Optional Protocol	Enhances (X)	Challenges (X)	Explanation
Article 2 – The convention applies to everyone whatever their race, religion, abilities, whatever they think or say and whatever type of family they come from.	X		<p>The Welsh Government Anti Racist Action Plan (2022) reflects the Welsh Government’s commitment to building an inclusive and equitable society for all Black, Asian and Minority Ethnic people and communities in Wales. In line with this commitment, the 2010 Exceptions Order identifies that providers of coaching or tuition in religious or cultural studies are not required to register. This allows followers to practice and engage with their culture and/or religion freely.</p> <p>It was identified that full removal of this exception may result in fewer organisations providing coaching and tuition opportunities that provide for children aged 0-12 to follow their interests, talents and cultures. As a result, full removal of this exception was identified as being an undesirable change that would have significantly negative outcomes for children.</p> <p>The changes now proposed will continue to support children being able to participate in cultural and religious groups as providers will be able to provide coaching and tuition in this under the proposed new exception.</p>
Article 3 – All organisations concerned with children should work	X		The best interests of children must be the primary concern in making decisions that affect them. Through pre-consultation engagement with children, evidence was

towards what is best for each child.			<p>obtained as to what is important to children when attending childcare and activities and the importance of their caregivers to their well-being. This has helped us to understand how our decisions affect children, what matters to them and what we needed to do to meet their best interests.</p> <p>Further engagement with children and young people will be carried out while the consultation is ongoing. Children and young people will share their views regarding the proposals and how they will impact upon their lives.</p> <p>Throughout the review of the exceptions, the aim to promote robust safety measures for children in both registered and unregistered providers has been central. All decisions have been taken with this in mind.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children.</p>
Article 5 – Governments should respect the rights and responsibilities of families to direct and guide their children so	X		<p>The review of the exceptions aims to ensure childcare options are child-centred, foster children's rights to play, relax and learn, and meet their needs and interests.</p>

<p>that, as they grow, they learn to use their rights properly.</p>			<p>The review process extensively considered the diverse needs and interests of families and children across Wales. We aim to support the right for families to be able to make choices about the childcare, play and activities that meet their needs. We recognise that no one size fits all and we are working with a range of organisations to ensure proposed changes do not limit choices available. We are working with a range of stakeholders to ensure accessibility is addressed through this review.</p> <p>Eligible parents that use registered childcare can benefit from Tax-Free Childcare or Universal Credit Childcare schemes, whereas those using unregistered are not able to do so. As a result, parents using unregistered providers are required to meet the full burden of cost for care for their child. This may result in parents choosing a registered provider based on the ability to use Tax-Free Childcare or Universal Credit Childcare to pay for the care rather than choosing a non-registered provider that may be a better fit for their child.</p> <p>The proposed Voluntary Approval Scheme will allow more providers to be eligible to register with HMRC to receive payments via the Tax-Free Childcare scheme and DWP so that eligible parents can use the Universal Credit Childcare scheme. Parents would have more opportunity to make decisions that work for them financially and best meet the needs of their child.</p>
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			An aim of the review is to simplify communication of the exceptions for all and through meeting this aim, parents will have a clearer understanding of what are registered and unregistered providers.
Article 6 – All children have the right of life. Governments should ensure that children survive and develop healthily.	X		Through ensuring there are sufficient childcare and play opportunities available for children, they will have access to opportunities to learn, grow and thrive. By maintaining the exception for coaching and tuition, sports groups will continue to provide opportunities for children to be active and healthy.
Article 12 – Children have the right to say what they think should happen, when adults are making decisions that affect them, and to have their opinions taken into account.	X		<p>As part of the review of the exceptions, Children in Wales were commissioned to obtain the viewpoints of children regarding the exceptions. Children aged 0-12 saw childcare as a place to play but older children were more aware of how childcare is used as an opportunity for them to learn skills and to allow their parents/guardians to work.</p> <p>The National Minimum Standards (NMS) for registered providers requires them to have procedures for children to complain should they be unhappy with their care. Providers signing up for the proposed Voluntary Approval Scheme, could be signposted to the NMS as a good practice guide and thus this opportunity afforded to children attending.</p> <p>Additional engagement work with children and young people will be carried out via a focus group while the consultation process is ongoing.</p>

			We will also be developing a youth friendly consultation document so children and young people can share their views on the proposals.
Article 15 – Children have the right to meet together and to join groups and organisations, as long as they are not stopping other people from enjoying their rights.	X	X	<p>Registered and unregistered providers of childcare, activity and play opportunities operate throughout Wales and provide children with a wide range of social experiences. The review is therefore working with a range of stakeholders to consider how changes can ensure children’s opportunities are not lessened whilst the quality of the service maintained.</p> <p>The 2010 Exceptions Order provides exemption for providers of coaching or tuition in religious or cultural study, arts and crafts, sport and performing arts. It was identified that removal of this exception may result in fewer organisations providing coaching and tuition opportunities that allow children aged 0-12 to follow their interests, talents and cultures. As a result, this was identified as being an undesirable change that would have significantly negative outcomes for children.</p> <p>Children will be able to continue to develop skills and knowledge of their choosing through exceptions for providers of a range of forms of coaching and tuition. The proposal to reduce this from two to one type of activity will maintain opportunities for children to follow their interests and develop. However, this reduction may provide fewer opportunities for children to engage in a</p>

			range of activities at a single location or session thus reducing their opportunities to develop in a variety of areas.
Article 16 – Children have a right to privacy. The law should protect them from attacks against their way of life, their good name, their families and their homes.	X		The proposed rewording of the exception relating to parents, foster carers, relatives and household members will clarify that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. . This will allow parents to engage the services of the child minder to care for their child if they feel they would best meet the privacy needs of the children, such as culturally sensitive provision.
Article 18 – Both parents share responsibility for bringing up their children, and should always consider what is best for each child. Governments should help parents by providing services to support them, especially if both parents work.	X		Eligible parents that use registered childcare can use Tax-Free Childcare or Universal Credit Childcare schemes, whereas those using unregistered are not. As a result, parents using unregistered providers are required to meet the full burden of cost for care for their child. This may result in parents choosing a registered provider based on the ability to use Tax-Free Childcare or Universal Credit Childcare schemes, rather than choosing a non-registered provider that may be a better fit for their child. If the number of providers eligible for either full

			<p>registration or registration on a new Voluntary Approval Scheme is increased, parents would have more Tax-Free Childcare or Universal Credit Childcare providers available to them and thus more opportunity to make decisions that work for them financially and best meet the needs of their child.</p> <p>An aim of the review is to simplify communication of the exceptions for all and through meeting this aim, parents will have a clearer understanding of registered and unregistered providers.</p>
<p>Article 19 – Governments should ensure that children are properly cared for, and protect them from violence, abuse and neglect by their parents or anyone else who looks after them.</p>	X		<p>The Welsh Government can monitor how providers care for and safeguard children through Care Inspectorate Wales registrations and inspections. As part of these processes, they consider the care given by providers and the well-being and development of children. They are expected to meet the National Minimum Standards set out by Welsh Government, including safeguarding training and reporting obligations. These are fundamental to ensuring children are appropriately protected. Through bringing more providers into scope of full registration or that of the proposed Voluntary Approval Scheme, Welsh Government would have greater knowledge of the sector. Providers applying to join the scheme would be required to provide evidence of safeguarding awareness.</p> <p>Welsh Government expects all providers to adhere to the ‘Working Together to Safeguard People: Code of Safeguarding</p>

			<p>Practice’ to ensure children are safeguarded by all providers in Wales.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children. In order for providers who operate under the exceptions to join the proposed Voluntary Approval Scheme, they will be required to meet safety and safeguarding checks. It would also offer the Welsh Government and local authorities some knowledge on and information about unregistered providers which they may not be aware of at present.</p>
Article 23 – Children who have any kind of disability should have special care and support so that they can lead full and independent lives.	X	X	<p>The current proposals will potentially bring more provision into the scope of either compulsory registration or the proposed Voluntary Approval Scheme. This will enable more opportunities for parents to use Tax-Free Childcare or Universal Credit Childcare schemes and thus childcare may become more affordable for families. This is available to parents of disabled children up to 1 September after their 16th birthday. Through a greater number of providers becoming able to register with HMRC to receive payments via the Tax-Free Childcare scheme and DWP so that eligible parents can use the Universal Credit</p>

			<p>Childcare scheme, availability of such providers, particularly for disabled children aged over 12 where there is a particular shortage at present, may increase.</p> <p>It could also offer the Welsh Government and local authorities some information about unregistered providers which they may not be aware of at present. This could help them assess the sufficiency of childcare available to meet the diverse needs of children with disabilities in their areas. Providers could then receive support, information and guidance from the Local Authority should they wish.</p> <p>The proposed rewording of the exception relating to parents, foster carers, relatives and household members, will clarify that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This will allow parents to engage the services of the child minder to care for their child if they feel they would best meet the care needs of their disabled child.</p>
Article 24 – Children have the right to good quality health care and	X		Welsh Government can monitor how organisations promote children's health and nutrition needs through Care

to clean water, nutritious food and a clean environment so that they will stay healthy.			<p>Inspectorate Wales registrations and inspections. As part of these processes, they consider the care given by providers, the food and water provided to them and the environment in which they are cared for. Bringing more providers into scope of full registration will allow greater oversight of provision. However, the same level of oversight won't be obtained via the proposed Voluntary Approval Scheme.</p> <p>Eligible registered providers are able to apply for funding for developments to their environment via the Childcare and Early Years Capital Programme. Any providers brought into scope of full registration could potentially have access to this funding to develop their environment to benefit the children attending.</p>
Article 26 – The Government should provide extra money for the children of families in need.	X		<p>The Child Poverty Strategy for Wales 2024: Engagement Report reflected that children and young people are very aware of the financial pressures on their parents. Many were also aware that their parents needed access to affordable childcare to enable them to attend training or work. They also talked about not being able to access activities including art and music, play and sports because of costs.</p> <p>Through the potential development of the proposed Voluntary Approval Scheme for some exempt providers, a greater number may become eligible to register with HMRC to receive payments via the Tax-Free Childcare scheme and DWP so that eligible parents can use the Universal Credit Childcare scheme. This would</p>

			increase the affordability of childcare, play and activities for parents and may enable more children to attend activities of their choice.
Article 29 – Education should develop each child’s personality and talents to the full. It should encourage children to respect their parents, their own and other cultures and the environment.	X	X	<p>The 2010 Exceptions Order exempts providers of coaching or tuition in sport, performing arts, arts and crafts homework support and school study from registration. This exception provides opportunity for children to follow their interests and develop their talents.</p> <p>It provides exception for providers of religious or cultural study. This allows followers to practice and engage with their culture and/or religion freely.</p> <p>It was identified that removal of this exception may result in fewer organisations providing coaching and tuition that provide opportunities for children aged 0-12 to follow their interests, talents and cultures. As a result, this was identified as being an undesirable change that would have significantly negative outcomes for children.</p> <p>It is proposed that the part of a school offering education to children aged 2 and under should be required to register as a day care provider. This is to provide assurance that the care needs of these younger children are being met alongside their educational needs.</p>
Article 30 – Children have a right to learn and use the language and customs of their families, whether these	X	X	<p>The 2010 Exceptions Order also exempts providers of religious or cultural study. This allows followers to practice and</p>

are shared by the majority of people in the country or not.			<p>engage with their culture and/or religion freely.</p> <p>It was identified that removal of this exception may result in fewer organisations providing coaching and tuition that provides opportunities for children aged 0-12 to follow their interests, talents and cultures. As a result, this was identified as being an undesirable change that would have significantly negative outcomes for children.</p> <p>The proposed Voluntary Approval Scheme may be accessible to some providers of coaching and tuition relating to language, culture and faith. This would also offer the Welsh Government and local authorities opportunity to obtain some knowledge about unregistered providers which they may not be aware of at present. This could help them assess the sufficiency of such activities available to meet the diverse needs of children in their areas. Providers could then receive support, information and guidance from the Local Authority should they wish.</p>
Article 31 – All children have the right to relax and play, and to join a wide range of activities.	X		<p>The Ministerial Review of Play (2023) recognises “Playing is central to children’s physical, mental, social and emotional health and wellbeing. For children themselves, playing is one of the most important aspects of their lives. They value time, freedom and quality places to play.”</p> <p>The exceptions provide exemption for unregistered providers of a range of play opportunities to operate. This is considered through the aim of the review</p>

			to ensure the exceptions in place are proportionate and capture providers that really need to be registered and exempt those that don't.
Article 34 – The Government should protect children from sexual abuse.	X		<p>The Welsh Government can monitor how providers care for and safeguard children through Care Inspectorate Wales registrations and inspections. As part of these processes, they consider the care given by providers and the well-being and development of children. They are expected to meet the National Minimum Standards set out by Welsh Government, including safeguarding training and reporting obligations. This covers sexual abuse. These are fundamental to ensuring children are appropriately protected. Through bringing more providers into scope of full registration or that of the proposed Voluntary Approval Scheme, Welsh Government would have greater knowledge of the sector. Providers applying to join the proposed Voluntary Approval Scheme would be required to provide evidence of safeguarding training.</p> <p>Welsh Government expects all providers to adhere to the 'Working Together to Safeguard People: Code of Safeguarding Practice' to ensure children are safeguarded by all providers in Wales.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to</p>

			<p>continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children. In order for providers who operate under the exceptions to join the proposed Voluntary Approval Scheme, they will be required to meet basic safety and safeguarding checks. It would also offer the Welsh Government more knowledge on and information about unregistered providers.</p>
<p>Article 36 – Children should be protected from any activities that could harm their development.</p>	X		<p>The Welsh Government is able to monitor how registered organisations care for and safeguard children in play and activities through Care Inspectorate Wales registrations and inspections. As part of these processes, they identify the precautions and considerations made by providers to ensure children are safe when undertaking activities. They are expected to meet the National Minimum Standards set out by Welsh Government regarding the activities provided and the environment in which children are cared for.</p> <p>The public will be consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises. This would bring more providers into scope of full registration and the Welsh Government would have greater oversight of these providers. They would be able to ensure more organisations are appropriately upholding the UNCRC Article and allowing children to undertake</p>

			<p>creative play activities safely. The Welsh Government expects both registered and unregistered providers to adhere to the ‘Working Together to Safeguard People: Code of Safeguarding Practice’ to ensure children are safeguarded in all settings in Wales.</p> <p>There is no evidence to suggest unregistered settings are riskier for children. For many children they offer a safe space, an opportunity to build skills/relationships and resilience. Additionally, they offer opportunities for children to make connections with safe adults to whom they could report harm.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children. The proposed Voluntary Approval Scheme for exempt providers, will have a requirement for providers to evidence basic safety and safeguarding knowledge. It would also offer the Welsh Government some knowledge and information on unregistered providers which they may not be aware of at present.</p>
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Consider whether any EU Citizens Rights (as referenced in the Equality Impact Assessment) relate to young people up to the age of 18.

The proposed Voluntary Approval Scheme will allow more providers to be eligible to register with HMRC to receive payments via the [Tax-Free Childcare](#) scheme and DWP so that eligible parents can use the [Universal Credit Childcare](#) scheme. EU citizens with settled or pre-settled status will have access to these schemes in line with the other eligibility requirements.

4. Ministerial advice and decision

The analysis of the impacts will be included in future advice to the Minister. It will set out the benefits/impacts identified to date and those gathered through the consultation process. Our ambition for an effective Exceptions Order and the proposed Voluntary Approval Scheme is centred on the understanding that they should have a long-term positive impact on children and young people's childcare, play and activity provision.

This Children's Rights Impact Assessment will be updated following the outcome of the consultation.

5. Publication of the Children's Rights Impact Assessment

Following the ministerial decision, this Children's Rights Impact Assessment will be published on the Welsh Government website.

6. Communicating with Children and Young People

Children and young people's views will be obtained via a youth friendly version of the consultation and a focus group. The outcome of the consultation and focus groups will be shared with children and young people via the Welsh Government website and stakeholder organisations such as Children in Wales and the Children's Commissioner for Wales.

7. Monitoring and Review

At each stage of policy development, the impact of the policy will be assessed and reviewed. If there are significant changes to the proposals as a result of the consultation, the CRIA will be reviewed in full.

EQUALITY IMPACT ASSESSMENT

1. Describe and explain the impact of the proposal on people with protected characteristics as described in the Equality Act 2010.

The Welsh Government's [Child Minding and Day Care Exceptions \(Wales\) Order](#) 2010 identifies circumstances where registration as a child minder or day care provider is not required. Being exempt means that these providers do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#). It provides distinction between providers that need to be registered and those that don't.

The Welsh Government are reviewing the exceptions following recommendations in the following reports:

- [Call for Evidence](#) regarding the 2010 Exceptions Order (2019) which noted that several exceptions required review in line with policy developments, to provide clarity of definitions, to strengthen safeguarding and ensure the exceptions are equitable to different types of providers.
- [The Ministerial Review of Play](#) (2023) which as part of Key Recommendation 11, recommended that Welsh Government review and consult on the exceptions relating to the frequency of services operating and the provision of coaching and tuition. They also recommended the need to consider the potential of voluntary registration.
- [Minding the future: The childcare barrier facing working parents](#) (2022) which recommended (recommendation 18), the Welsh Government to set out its plans to undertake a full consultation on the Exceptions Order that was committed to in 2019 in order to address concerns around the negative impact it has on registered providers and on the safeguarding of children. The report draws particular attention to the drop in childcare provision for children with disabilities, citing figures from Coram Family and Childcare that reflected a drop "from 31% in 2020 to 19% in 2021" and that "38% of local authorities report not having enough childcare for disabled children anywhere in their local authority." The report also identified concerns regarding a lack of staff from ethnic minority backgrounds and the impact it has on families from these communities. It suggested that there is lower uptake of childcare provision amongst ethnic minority communities and greater engagement is required.

In light of these reports, the Welsh Government are currently undertaking a review of the exceptions. The aims are to:

- Ensure childcare options are child-centred and foster the rights of children to play, relax, learn and join groups and organisations that meet their needs and interest.
- Ensure that the exceptions in place are proportionate and exempt those that don't need to register with Care Inspectorate Wales.
- Promote robust safety measures for children across all childcare, playwork and activity settings which will support children to be safe and properly cared for.
- Support affordable, accessible, and flexible childcare, playwork and activities for families to meet various needs, interests and demands across Wales. Any changes to the exceptions must not reduce available or affordable childcare, play or activities.
- Simplify the 2010 Exceptions Order for clarity and consistency in interpretation.

Proposed changes to the Exceptions Order

The Welsh Government will undertake a full public consultation regarding the proposed changes relating to which providers are not required to register as child minders or day care providers.

The Welsh Government maintains that parents, legal guardians, foster carers, relatives and household members should remain exempt from registering as child minders. However, the Welsh Government proposes that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met:

- They are not the child's parents and do not have parental responsibility for the child,
- They are not the child's foster carer,
- The care does not take place at the child's home, and
- The care is available and on offer to non-related children.

People are exempt from registering as a child minder or day care provider if care takes place between 6pm and 2am. The public will be consulted on the proposal to make provision for babysitters to be exempt from registration when caring for children in their own homes or domestic premises of the parents' choice, in line with nannies and au pairs.

Youth service providers are exempt from registration as a day care provider where services are provided to young people aged 11 and over. The public will be consulted on the proposal to

allow providers who offer provision for children aged 10 to be exempt for transitional youth services.

Providers who operate for fewer than 6 days per calendar year are exempt from registration as a child minder or day care provider. The public will be consulted on their views regarding the exception not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises.

Providers are exempt from registration as a child minder or day care provider if the total period of care in any one day does not exceed two hours. The public will be consulted on their views regarding the exceptions not applying where the provider cares for children aged 2 and under and whether there should be a different approach if their parent remains on the premises.

Providers are exempt from registration as day care providers where they provide coaching or tuition in no more than two activity types. The public will be asked if they agree that this should be amended to one activity type only and for the list of areas to be amended. The public will also be consulted on the proposal that if a child aged 4 or under attends a coaching or tuition provision without their parent or carer for more than 2 hours in a day, the provider should register as a day care provider. Providers can offer multiple sessions, but each child aged 4 and under can only attend up to 2 hours per day unless their parent is with them. This rule would not apply to children aged 5 and over, who can attend for an unspecified period of time.

Providers are exempt from registration as day care providers where care provided is incidental to the provision of education. The public will be consulted on the proposal that if any children aged 2 and under attend a school, that part of the school will be required to register as a day care provider.

The public will be consulted on the proposal that if a registered provider is suspended by enforcement, that the exceptions relating to care for 2 hours or less a day do not apply and therefore the provider would not be able to operate under these exceptions for the duration of the suspension.

Proposed introduction of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers

Alongside this review the Welsh Government are carrying out a public consultation on a proposal to introduce a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers. Certain providers who are exempt from Care Inspectorate Wales registration, will be able to apply for entry to the scheme should they meet the criteria set out. Providers on the

scheme may be able to register with HMRC and DWP so that eligible parents can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes.

Consideration of Equality through the process

The key priority for this work is to ensure children in Wales can access childcare, play and activities that meet their needs and those of their families. The review has been carried out in a way that has ensured that protected characteristics of children and their families are prioritised and have been central to consideration and decision making. Equality, diversity, inclusion and human rights have been considered against the key principles set out in the [Welsh Government Strategic Equality Plan 2020-24](#). There has also been a consideration of how the proposed changes align with the priorities in national equality plans – including the [Anti-racist Wales Action Plan](#), the [LGBTQ+ Action Plan](#), the work of the [Disability Rights Taskforce](#) and the [Child Poverty Strategy 2024](#).

In order to ensure the views of people with protected characteristics are gathered and considered, the consultation will be shared with a wide range of stakeholders including community mentors, disability rights organisations, children's rights organisations and religious groups.

Aligned to Long-term Aim 1 – Elimination of inequality caused by poverty

The percentage of children living in poverty that live in a household where at least one adult works, has increased substantially since the 2008 financial crisis. The Welsh Government [Relative Income Poverty](#) report reflected that in March 2023, 29% of children were living in relative poverty. The [Children in Wales Child Family Poverty report \(2023\)](#) reflected that over 30% of respondent parents identified childcare costs and availability within their top 5 poverty related issues. [Senedd research](#) in 2023 identified that over 80% of the children in Wales that live in poverty have at least one parent in work.

Through the proposed Voluntary Approval Scheme for providers who operate under the exceptions, a greater number of providers will be able to register with HMRC and DWP and thus allow eligible parents using their services to use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes. This will promote parity between families in Wales and those in England, where these schemes can already be used by certain exempt providers. It will promote access by making opportunities more available to families. This will include families with disabled children up to the age of 16 who may be faced with childcare costs for longer than other parents. The schemes will potentially make a greater range of childcare providers available at a lower cost, thus supporting the [Child Poverty Strategy for Wales 2024 Objective 1: to reduce costs and](#)

maximise the incomes of families and Priority 1: entitlement (putting money in people's pockets), Priority 2: creating a Fair Work nation (leaving no one behind).

By excepting providers operating under 2 hours, for five days or fewer or in delivering coaching and tuition, the proposed amendments will provide support for the [Child Poverty Strategy for Wales 2024](#) *Objective 3: to support child and family wellbeing and make sure that work across the Welsh Government delivers for children living in poverty, including those with protected characteristics, so that they can enjoy their rights and have better outcomes and Priority 3: building communities*. Through these providers remaining exempt, they can continue to run their services and maintain access for children and families.

However, some of the proposed changes to the exceptions are likely to bring some providers into scope of compulsory Care Inspectorate Wales registration which may result in greater running costs for these providers. This in turn may drive up prices for families, which would impact negatively upon affordability and availability and act against the [Child Poverty Strategy for Wales 2024](#) *Objective 1: to reduce costs and maximise the incomes of families and Priority 1: entitlement (putting money in people's pockets)*. Additionally, through maintenance of the exception for provisions operating under 2 hours or on five days or fewer, providers may be discouraged from extending their provision, which may impact upon children living in poverty if such activities are provided free or at a low cost. Through working with umbrella organisations via Cwlwm, the benefits of extending provision and registering with Care Inspectorate Wales will be promoted to encourage growth in registered provision throughout Wales.

Aligned to Long-term Aim 3 - The needs and rights of people who share protected characteristics are at the forefront of the design and delivery of all devolved public services in Wales.

The Welsh Government set out its commitment to end racism in [The Welsh Government Anti-racist Wales Action Plan \(ArWAP\)](#). A refresh of the ArWAP was published in November 2024. The 2024 ArWAP continues to include a focus on childcare and play, recognising the disparities in early years attainment data among ethnic minority groups in Wales, with Gypsy Roma and Traveller children having the lowest and Indian, Chinese, and Pakistani children the highest ([EHRC, 2023](#)). Data has also shown that Black and Black British children have lower attainment levels in the early years compared to their peers ([Stats Wales, 2017 to 19](#)). A 2021 study revealed that Black, Asian and Minority Ethnic parents navigate unique cultural and educational considerations in accessing childcare ([Welsh Government, 2021](#)). Future plans to support the ArWAP include gathering detailed data on the ethnic diversity of the workforce and childcare users through optional questions in the Childcare Offer for Wales applications.

The proposed rewording of the exception relating to parents, foster carers, relatives and household members will clarify that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children.. This would allow parents to engage the services of the child minder they feel would best meet the language, culture and/or religious needs of the child and their family.

Through maintaining exception for cultural coaching and tuition, such provision will continue to operate, and people can continue to engage with activities relating to their culture and heritage.

Aligned to Long-term Aim 4 – Wales is a world leader for gender equality. A gender equal Wales means an equal sharing of power, resources and influence for all women, men and non-binary people.

The Women's Equality in Wales [State of the Nation 2024](#) report reflected that the gender pay gap in Wales had increased by 0.4% and women are 3.5 times more likely to be economically inactive due to caring or domestic responsibilities, with 25.2% of women citing this reason for not being in work. This is compounded further for women from ethnic minority backgrounds, with The [Equality and Human Rights Monitor: Is Wales Fairer?](#) report (2023) identifying that 61.4% of women from ethnic minority backgrounds were employed in 2022, compared to White women (70.8%), ethnic minority men (71%) and White men 77.4%).

Analysis of [Office for National Statistics](#) (ONS) Census 2021 by Oxera (2023) reflected that 43% of women worked 30 hours or less per week, compared to 18% of men. In line with this, after childbirth, the numbers of hours worked by women falls from an average of 40 hours to between 25 and 30 hours. In comparison, the IFS Deaton Review identified in '[The Careers and time use of mothers and fathers](#)' report, hours of work of men barely changes after they become fathers. The Centre for Progressive Policy's report '[Growing Pains: The economic costs of a failing childcare system](#)' (2023) identified that lack of access to suitable childcare was a barrier for 27% of mothers who would like to work more and 18% noted they had been prevented from taking a job with a higher salary. The [State of the Nation 2024](#) report evidences these barriers to progression further through identifying that women make up 39% of managers, directors and senior officials in Wales. 7.8% of women work in these occupations compared to 11.2% of men. This disparity is also reflected in terms of pay with the gender pay gap being highest in skilled trade and technical occupations ([ONS](#), 2024).

Through the proposal for the creation of a Voluntary Approval Scheme for providers who are exempt from full registration with Care Inspectorate Wales, a greater number of providers may

be able to register with HMRC and DWP so that eligible parents can pay for care using the Tax-Free Childcare or Universal Credit Childcare schemes. This will promote parity between families in Wales and those in England, where these schemes can already be used in certain exempt providers. It will promote access by making opportunities more available and affordable for families and allow parents to work more and/or advance their careers should they wish.

Aligned to Long-term Aim 6 – A Wales of cohesive communities that are resilient, fair and equal.

The [Welsh Government Anti-racist Wales Action Plan \(ArWAP\)](#) (2022) and the 2024 refresh of the ArWAP reflects the Welsh Government's commitment to building an inclusive and equitable society for all Black, Asian and Minority Ethnic people and communities in Wales.

In line with the commitment to build an inclusive and equitable society, the 2010 Exceptions Order exempts providers of coaching or tuition in religious or cultural studies from the need to register. This allows followers to practice and engage with their culture and/or religion freely. By maintaining this exception that allows organisations to offer coaching and tuition without registration, there will be continuation of opportunities for children aged 0-12 to follow their interests, talents and cultures. The maintenance of provision ensures families have choice of access. The principle of this exception remains to ensure ongoing opportunities.

The Welsh Government [Qualitative study of beliefs, behaviours and barriers affecting parental decisions regarding childcare and early education](#) (2021) reflected how some parents make decisions about childcare based around how this fits in with their faith, language and/or cultural background. Additionally, it identified that some parents preferred to have family members care for their children as they feel they meet the children's needs more effectively. The proposed rewording of the exception relating to family members will clarify that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children.. This would allow parents to engage the services of the child minder they feel would best meet the care needs of their disabled child, meet the communication needs of a child whose first language is not English or Welsh, or share a religious faith or culture, for example.

The public will be consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and whether there should be a different approach if a parent remains on the premises. This would result in more providers being brought into scope of full Care Inspectorate Wales registration. This may cause a reduction in the number of

providers offering this care as they may not wish to take on the burden of registration. In turn, this may lead to some lack of fairness and equity in some areas and impact negatively upon the resilience of the sector.

Measures of success

Following consultation and any resulting changes, numbers of providers registered to provide services to children and families will be monitored by Care Inspectorate Wales. The numbers of children accessing the providers will be captured via the annual Self-Assessment of Service data submitted by registered providers. Should the proposal to create a Voluntary Approval Scheme be adopted, the uptake for this will be monitored. Additional information can be obtained via the data gathered by Local Authorities as part of their Welsh in Education Strategic Plans (WESPs) target monitoring and their submission of Childcare Sufficiency Assessments and Play Sufficiency Assessments.

Record of Impacts by protected characteristic

Protected characteristic or group	What are the positive or negative impacts of the proposal?	Reasons for your decision (including evidence)	How will you mitigate Impacts?
Religion, belief and non-belief	<p><u>Positive</u></p> <p>Through maintaining exception for religious coaching and tuition, such provision will continue to operate and people can continue to engage with activities relating to their faith.</p> <p>The proposed rewording of the exception relating to parents, foster carers, relatives and household members will clarify that relatives or persons</p>	<p>Stakeholder engagement has been undertaken with religious groups who operate under the exceptions which illustrates the wide range of services being offered to communities and families.</p> <p>The 2021 Census reflected that 53.5% of the population of Wales</p>	<p>Through clear guidance and case study examples, providers of religious coaching and tuition will gain an understanding of what falls within the parameters of the area of religion.</p>

	<p>living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This will allow parents to engage the services of the child minder to care for their child if they feel they would best meet the needs of a child through sharing a religious faith.</p> <p>Through maintaining exemption where care does not exceed two hours a day, parents may continue to have access to creches set up by religious groups in order to provide opportunity for them to engage in religious activity while their children are being cared for.</p>	identified as having a religion.	
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	<p><u>Negative</u></p> <p>As the proposal will only permit organisations to provide one type of activity, some providers may have their current activities limited if they presently offer another type of coaching and tuition alongside their religious tuition.</p> <p>There may be a negative impact should there be support for some exceptions to not apply in circumstances where providers care for children aged 2 and under, and/or for coaching and tuition sessions to be limited to 2 hours for children aged under 5 where a parent does not remain on the premises. This may impact upon parents' ability to undertake religious activities as religious groups would no longer be able to run creches to care for children while their parents engage in faith-based activities.</p>		
Sex / Gender	<u>Positive</u>		N/A

	<p>Through the proposal for the creation of a Voluntary Approval Scheme for providers who operate under the exceptions, a greater number of providers may become eligible to register with HMRC and DWP. Eligible parents may then be able to pay for provided care using the Tax-Free Childcare or Universal Credit Childcare schemes. This will promote access by making more opportunities available for families and to allow mothers to work more and/or advance their careers should they wish.</p>	<p>The Women's Equality in Wales State of the Nation 2024 report reflected that women are 3.5 times more likely to be economically inactive due to caring or domestic responsibilities, with 25.2% of women citing this reason for not being in work.</p> <p>Analysis of Office for National Statistics (ONS) Census 2021 by Oxera (2023) reflected that 43% of women worked 30 hours or less per week, compared to 18% of men and the average hours worked after childbirth falls from 40 to 25-30.</p> <p>The Centre for Progressive Policy's report 'Growing Pains: The economic costs of a failing childcare system' (2023) identified that lack of access to suitable childcare was a barrier for 27% of mothers who would like to work more and 18% noted they had been prevented from taking a job with a higher salary.</p>	
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Sexual orientation (Lesbian, Gay and Bisexual)	No specific impact has been identified for people with this protected characteristic.	N/A	N/A
Marriage and civil partnership	No specific impact has been identified for people with this protected characteristic.	N/A	N/A
Children and young people up to the age of 18	See Children's Rights Impact Assessment	See Children's Rights Impact Assessment	See Children's Rights Impact Assessment
Low-income households	<p><u>Positive</u></p> <p>The current proposals will bring more provision into the scope of either compulsory registration or the proposed Voluntary Approval Scheme. This will enable more opportunities for eligible parents to use Tax-Free Childcare or Universal Credit Childcare schemes and thus lessen the financial burden of such activities.</p> <p><u>Negative</u></p> <p>Providers being brought into scope of compulsory Care Inspectorate Wales registration, may incur</p>	Through the proposed development of a Voluntary Approval Scheme for Childcare, a greater number of providers may become available to parents via Tax-Free Childcare or Universal Credit Childcare schemes. This will promote parity between families in Wales and England, where Tax-Free Childcare and Universal Credit Childcare schemes can already be used in certain exempt providers. This will promote access by making opportunities	Providers that may be brought into scope of compulsory Care Inspectorate Wales registration may be eligible for schemes such as the Childcare and Early Years Small Grants Scheme managed by Local Authorities.

	greater costs which they may then pass onto families. They may also face closure and therefore less support will be available to parents who can't pay for a more expensive alternative.	more available to families. The proposed Voluntary Approval Scheme will have a cost attached for providers in terms of a registration fee. There also may be additional costs of obtaining qualifications and training.	
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Human Rights and UN Conventions

Human Rights	What are the positive or negative impacts of the proposal?	Reasons for your decision (including evidence)	How will you mitigate negative Impacts?
Article 9: Freedom of thought, conscience and religion Article 14: Prohibition of discrimination	<p>Under the 2010 Exceptions Order, providers of coaching or tuition in religious or cultural studies are not required to register. This allows followers to receive coaching or tuition about their culture and/or religion freely.</p> <p>Changes proposed for the 2026 Exceptions Order will continue to support children being able to participate in cultural and religious groups through the</p>	<p>The Welsh Government Anti Racist Action Plan (2022) reflects the Welsh Government's commitment to building an inclusive and equitable society for all Black, Asian and Minority Ethnic people and communities in Wales. The review of the exceptions has been undertaken with this in mind through considering the impact of proposals on people of different races in Wales. As part of the</p>	<p>Through clear guidance and case study examples, providers of cultural and religious coaching and tuition will gain understanding of what falls within the parameters of the area of cultural and religious studies.</p>

	<p>proposed maintenance of this exception.</p> <p><u>Negative</u></p> <p>As the proposal will only permit organisations to provide activities from one of a given list of activity types, some providers may have their current activities limited if they presently offer another area of coaching and tuition alongside their religious tuition.</p>	<p>engagement with parents, the views of a Bangladeshi parents' group were obtained.</p> <p>Additional engagement has been undertaken with religious groups who operate under the exceptions which illustrates the wide range of services being offered to communities and families.</p>	
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EU/EEA and Swiss Citizens' Rights

Residency – the right to reside and other rights related to residence: rights of exit and entry, applications for residency, restrictions of rights of entry and residence;

The proposal will have no effect.

Mutual recognition of professional qualifications –the continued recognition of professional qualifications obtained by EU/EEA/Swiss citizens in their countries (and already recognised in the UK);

The proposal will have no effect.

Access to social security systems – these include benefits, access to education, housing and access to healthcare;

The proposed Voluntary Approval Scheme will allow more providers to be eligible to register with HMRC and DWP. Eligible EU citizens with settled or pre-settled status will have access to Tax-Free Childcare or Universal Credit Childcare in line with the other eligibility requirements. They will then be able to use these schemes to pay for their child's care at the providers on the proposed Voluntary Approval Scheme.

Equal treatment – this covers non-discrimination, equal treatment and rights of workers;

The proposal will have no effect.

Workers' rights - Workers and self-employed persons who are covered under the Citizens Rights Agreements are guaranteed broadly the same rights as they enjoyed when the UK was a Member State. They have a right to not be discriminated against due to nationality, and the right to equal treatment with UK nationals;

The proposal will have no effect.

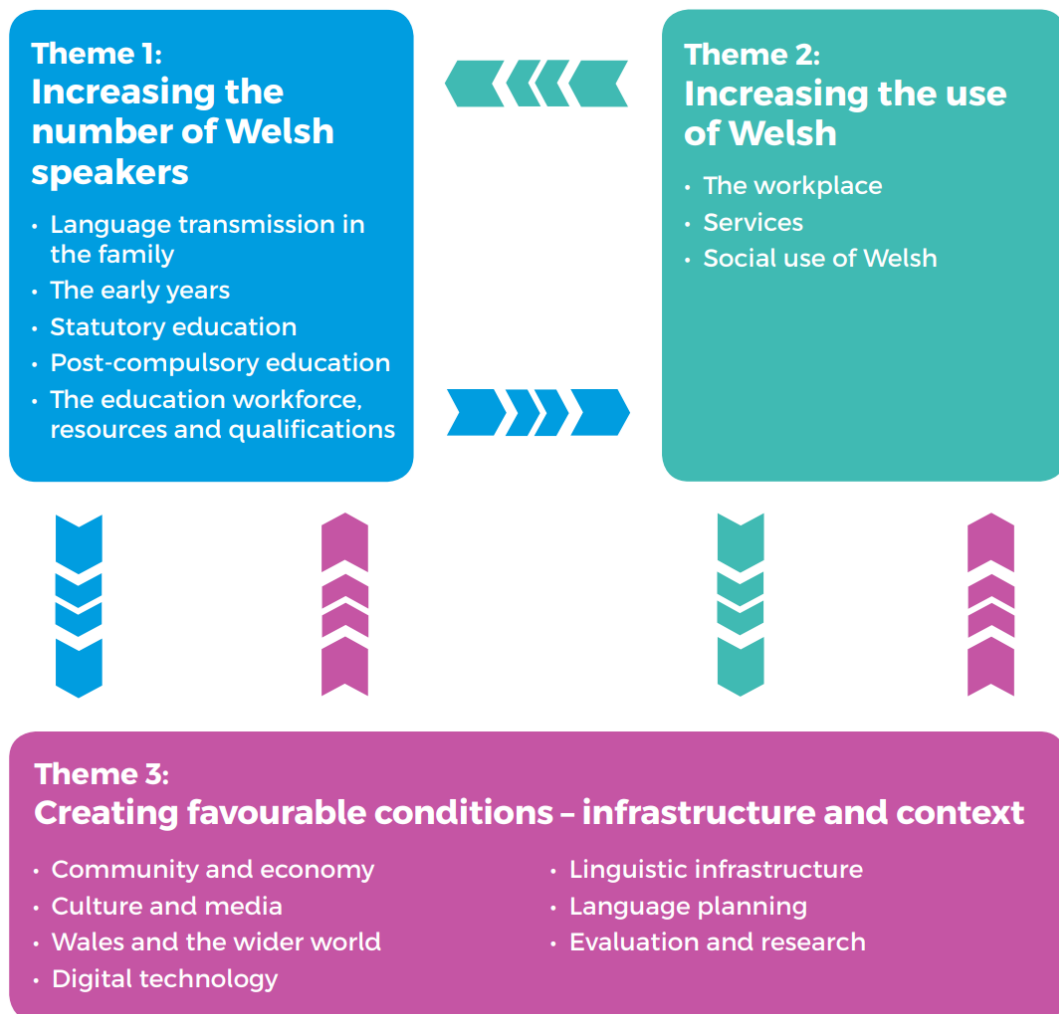
WELSH LANGUAGE IMPACT ASSESSMENT

Cymraeg 2050 is our national strategy for increasing the number of Welsh speakers to a million by 2050.

The Welsh Government is fully committed to the new strategy, with the target of a million speakers included in its Programme for Government. A thriving Welsh language is also included in one of the 7 well-being goals in [The Well-being of Future Generations \(Wales\) Act 2015](#).

We also have a statutory obligation to fully consider the effects of our work on the Welsh Language. This means that any Welsh Government policy should consider how our policies affect the language and those who speak it.

The [Cymraeg 2050 strategy](#) has three interrelated themes:



The Child Minding and Day Care Exceptions (Wales) Order 2010 and The Child Minding and Day Care Exceptions (Wales) Order 2026

The Welsh Government's [Child Minding and Day Care Exceptions \(Wales\) Order](#) 2010 identifies circumstances where registration as a child minder or day care provider is not required. Being exempt means that these services and settings do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#). It provides distinction between services and settings that need to be registered and those that don't. The Welsh Government will undertake a full public consultation regarding the proposed changes about who should register as set out in the Draft Child Minding and Day Care Exceptions (Wales) Order 2026, 'the 2026 Draft Exceptions Order', which will replace the 2010 Exceptions Order.

The Welsh Government's vision for a million Welsh speakers by 2050, clearly identifies the Early Years and childhood as key focus areas for meeting this target. The proposed exceptions set out in the 2026 Draft Exceptions Order have all been made to provide opportunity for childcare and activity providers to maintain or increase the number of Welsh speakers, protect or increase the use of Welsh and create favourable conditions for Welsh language use to grow. In early 2024, 16,410 children attended registered childcare and play services which identified that Welsh was their main language of operation and [over 469,872 children were educated at Welsh-medium schools](#) in 2023. The proposed exceptions will support this through providing opportunities for children and young people to use the Welsh language in both their home and social lives.

The proposals also demonstrate links with [More than just words](#), the Welsh Government's strategy to strengthen and promote the Welsh language in health and social care. Our vision for 'More than just words' is for Welsh to belong and be embedded in health and social care services across Wales so that individuals receive care that meets their language needs without having to ask for it, leading to better outcomes. The 'More than just words' Framework seeks to drive progress through a focus on the three themes of Welsh language planning and policies including data; supporting and developing the Welsh language skills of the current and future workforce; and sharing best practice and an enabling approach. At the core of 'More than just words' is the principle of the Active Offer which places a responsibility on health and social care providers to offer services in Welsh, rather than on the parents, patients or service user to have to request them.

Being offered health and care services in Welsh will help parents, who prefer to receive services and support in Welsh, to feel more comfortable when accessing/using these services. It will also support children to use their Welsh language skills as they grow up and access health care services and support.

Describe and explain the impact of the proposal on the Welsh language and explain how you will address these impacts in order to improve outcomes for the Welsh language.

The Welsh Government are currently undertaking a review of [the child minding and day care exceptions](#). Two of the aims most relevant to the Welsh Language are to:

- Ensure childcare options are child-centred and foster the rights of children to play, relax, learn and join groups and organisations that meet their needs and interest.
- Support affordable, accessible, and flexible childcare, playwork and activities for families to meet various needs, interests and demands across Wales. Any changes to the exceptions must not reduce available or affordable childcare, play or activities.

These aims are set with the intention of keeping options open, which may include Welsh language options across Wales.

Cymraeg 2050 sets out mechanisms to increase the number of Welsh speakers, with expansion of Welsh-medium early years provision and language transmission in the family being targeted. This identifies the significant importance of Welsh language development in a child's Early Years and within their home lives. The 2010 Exceptions Order excepts people from registering as a child minder where they care for a family member. The Draft 2026 Exceptions Order will clarify that relatives or persons living in the same home as the child should be able to act as registered child minders for related children or children they live with, provided that all of the following conditions are met: they are not the child's parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This could allow parents to freely engage the services of the child minder that they feel would best meet the cultural and linguistic needs of their child and them as a family.

The Cymraeg 2050 strategy identifies that as children grow, it is vital for them to have opportunities to use Welsh socially. The 2010 Exceptions Order excepts providers from registration as day care providers where they provide coaching or tuition. Through maintaining this element of the exception, provision will continue to operate, and children and young people will be able to continue to engage freely with activities that allow them to socialise using the Welsh language. The exception permits provision of coaching and tuition in cultural study and thus can be used in delivery of activities that promote Welsh language and culture.

As part of the review of the coaching and tuition exception, it is also proposed to amend it to permit settings to provide one type of activity from a given list, rather than the two currently permitted under the exception. This may result in some settings needing to register or amend their provision. However, there is a possibility that some currently unregistered Welsh language settings may close rather than register which would result in a loss of provision. This may be particularly evident if they have difficulties finding sufficient Welsh speaking staff to meet the requirements set out in the National Minimum Standards for Regulated Childcare.

The 2010 Exceptions Order exempts youth services from registration as day care providers where services are delivered to young people aged 11 and over. The public will be consulted on the proposal to allow providers who offer provision for children aged 10 to be exempt for transitional youth service. Welsh language youth services will be able to provide services that help 10-year-olds to transition helping them address personal, social and educational needs through the medium of Welsh. Several responses to the Welsh Government's ['Youth work in Wales: delivering for young people'](#) consultation reflected that youth work provides opportunities to use the language in different contexts and to raise their confidence in using Welsh. This may suggest that youth work could potentially help to reduce drop off where children choose to transition from Welsh-medium primary into English-medium secondary due to lack of confidence in their Welsh language abilities.

The public will be consulted on their views regarding the exceptions not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises. It is anticipated that any changes would likely have an equal impact on Welsh and English medium settings.

If the change is introduced this may lead to an increase in the number of providers registering their services and they may look to develop their Welsh language provision as part of this process. For example, some may look to operate as a Cylch Meithrin, thus supporting the Cymraeg 2050 work programme 2021 to 2026 aim to open 60 new Cylchoedd Meithrin by 2026. Such settings may then have access to investment via the Childcare and Early Years Capital Programme and programmes such as 'Sefydlu a Symud' which provides funding to expand Welsh medium Early Years provision.

Settings that choose to operate sessions with parents in attendance may use the opportunity to function as a Cylch Ti a Fi which will support Welsh language development and use of Welsh by both children and their accompanying adult. Any increase in Welsh medium settings will create more opportunities for childcare staff to use Welsh at work and more children will be introduced to Welsh at an early age.

However, there is a possibility that some unregistered settings may close rather than register which would result in a loss of provision and it may limit future growth. Stakeholders from the Welsh medium sector report that some providers use the 2-hour exception to open their service to test the market ahead of commencing with registration with Care Inspectorate Wales. Furthermore, the ability to operate without registration facilitates the commencement of income generation for the setting in order to recruit and pay staff whilst the registration process is underway. Additionally, this provides an opportunity to root Welsh language provision within the community and allow the setting to increase its numbers by the time they obtain their registration. Adding age caveats to these exceptions would preclude this from happening and providers looking to offer services to children aged 2 and under may decide not to take the risk of opening a setting as they haven't been able to ascertain whether it is

sustainable in the market. Once again, this would impact negatively on families who are reliant on childcare for young children to enable them to work.

Alongside this review the Welsh Government are carrying out a public consultation on the proposal to introduce a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers. Some providers who are exempt from compulsory Care Inspectorate Wales registration through the Exceptions Order, could be able to apply for entry to the scheme should they meet the criteria set out. Eligible parents who use providers on the scheme may be able to access Tax-Free Childcare or Universal Credit Childcare schemes. This may provide financial stability for Welsh language exempt settings as more parents may choose to use their services due to them becoming more financially accessible.

The proposed 2026 Exceptions Order, and the proposed Voluntary Approval Scheme, will work towards meeting the aim of supporting the socioeconomic infrastructure of Welsh-speaking communities through maintaining and/or creating opportunities for Welsh language to flourish. Should more settings become registered, more information regarding the activities of registered Welsh medium provision will become available via settings' annual Self-Assessment of Service Statements and Local Authorities' Childcare Sufficiency Assessments and Play Sufficiency Assessments. As a result, a more accurate picture of daily use of Welsh will be achieved.

All documents relating to these amendments will be published in Welsh, including consultation documents (including Easy Read and Youth friendly), registration documents, information regarding the proposed Voluntary Approval Scheme and related supplementary guidance.

The impact of any of the proposed amendments that are agreed will be measured via Care Inspectorate Wales data regarding settings that sign up to the proposed Voluntary Approval Scheme, de-registrations and new registrations. Additional information can be obtained via the data gathered by Local Authorities as part of their Welsh in Education Strategic Plans (WESPs) target monitoring and their submission of Childcare Sufficiency Assessments and Play Sufficiency Assessments.